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## Attorney General Frosh Charges Howard County Home Builder with Violating Laws Protecting Home Buyers

Finish Werks Corp. and Finish Werks Custom Builders, Inc., Charged with Consumer Protection Violations; Division Settles with Eight Other Home Builders for Failing to Register or Disclose Required Information

**BALTIMORE, MD** (May 2, 2022) – Attorney General Brian E. Frosh announced today that his Consumer Protection Division's Home Builder Registration Unit filed charges against Finish Werks Corp. and Finish Werks Custom Builders, Inc. (collectively "Finish Werks"), and their principal, William Karl Woodward, of Howard County, for failing to comply with the Consumer Protection Act, New Homes Deposits Act, and the Custom Home Protection Act. The Unit also proposed denying Finish Werks' home builder registration.

According to the <u>Statement of Charges</u>, Finish Werks accepted thousands of dollars from consumers who contracted with the companies for the construction of custom homes in Maryland but failed to complete construction of their homes. The charges state that Woodward and Finish Werks violated the laws protecting new home purchasers in Maryland by, among other things, breaching the trust created for the benefit of the buyer, misappropriating the money paid by consumers to Finish Werks, making false and misleading statements, and failing to state material facts. The charges also state that Finish Werks and their principal failed to include required disclosures in the contracts with consumers and included provisions inconsistent with required disclosures.

A hearing on the statement of charges against Finish Werks and its principal will take place on August 29 at 9:30 a.m., at the Office of Administrative Hearings. The Home Builder Registration Unit is seeking injunctive relief, restitution, economic damages, and civil penalties against Finish Werks and Woodward for the alleged violations of the law.

Over the past six months, the Division's Home Builder Registration Unit also entered into settlement agreements with eight other home builders from Queen Anne's County, Anne Arundel County, Frederick County, Baltimore City, California, Florida, Pennsylvania, West Virginia, and Virginia who agreed to pay penalties and costs totaling over \$11,500.00 to settle allegations that they violated Maryland's home building laws, including acting as a home builder without being registered, failing to include required disclosures in their contracts with Maryland

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consumers, or making false or misleading statements to Maryland consumers in their contracts, among other building laws.

The settlements prohibit the companies from acting as a home builder in Maryland unless they first register with the Home Builder Registration Unit and comply with other laws governing home builders. Many of the builders also agreed to submit to arbitrate, using the Division's arbitration programs, consumer complaints that cannot be resolved through mediation, and one builder agreed to obtain a performance bond for the protection of Maryland consumers who enter into contracts with it for the construction of a new home.

"When making the biggest investment of their lives, consumers should make sure their home is built by a registered builder, their deposit is protected, and – for custom-built homes – their builder is actually using the buyer's money to pay the subcontractors, suppliers, and materialmen," said Attorney General Frosh. "The Home Builder Registration Act gives my office tools to prevent builders with a bad track record from continuing to build in Maryland."

Consumers who have had problems with homes built by these or other builders should contact the Home Builder Registration Unit at 410-576-6573 in Baltimore or call toll-free 877-259-4525. The Attorney General's Office encourages home buyers to check whether their builder is registered by calling or visiting <a href="https://www.marylandattorneygeneral.gov/pages/cpd/homebuilder">www.marylandattorneygeneral.gov/pages/cpd/homebuilder</a>.

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